



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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August 13, 2003

CERTIFIED RETURN RECEIPT  
7099 3400 0016 8896 3663

Mr. Larry Allred  
Wembco, Incorporated  
3996 West 1500 North  
Vernal, Utah 84078

Re: Division Directive; Wembco, Inc.; Larry Allred Site; M/047/068; Uintah County, Utah

Dear Mr. Allred:

On May 22, 2003, Paul Baker visited the referenced mine site for the purposes of collecting global positioning system data and to discuss with you what types of operations are being conducted at the site. After considering this information, we have determined that the disturbances from the mine itself and also the asphalt processing and recycling areas fall within the definition of "**Mining Operation**" in the R647 rules. This definition states:

*"Mining operations" means those activities conducted on the surface of the land for the exploration for, development of, or extraction of a mineral deposit, including, but not limited to, surface mining and the surface effects of underground and in situ mining; on-site transportation, concentrating, milling, evaporation, and other primary processing. "Mining operation" does not include: the extraction of sand, gravel, and rock aggregate; the extraction of oil and gas; the extraction of geothermal steam; smelting or refining operations; off-site operations and transportation; or reconnaissance activities which will not cause significant surface resource disturbance and do not involve the use of mechanized earth-moving equipment such as bulldozers or backhoes."*

The asphalt processing being conducted at your site falls within the category of primary processing; it is not secondary processing or refining. This determination is consistent with how we have permitted a nearby mine with similar operations.

The disturbances associated with the mining operation have disturbed more than five acres; therefore, the site is now classified as a large mine which requires that you file a Notice of Intention to Commence Large Mining Operations and that you post a reclamation bond.

***To remedy this situation, you are hereby directed to take the following actions:***

1. Within 60 days of your receipt of this directive, you must file a complete Notice of Intention to Commence Large Mining Operations. A copy of form MR-LMO is enclosed for your use.
2. Within 60 days of receipt of this notice, post a *transitional reclamation surety* in the amount of \$19,875. This amount is \$2500 per acre for areas labeled "Processing," "Recycling area," and "WEMBCO Mine" on the enclosed inspection report (7.95 acres).  
**Note:** The *transitional surety* amount may need to be adjusted accordingly (up or down) based upon a detailed, site-specific reclamation cost estimate that will be prepared as part of the large mine plan permit approval process.

3. Within 60 days of your receipt of this notice, complete reclamation grading for the 0.76-acre area labeled on the map as "Reclaimable Area." This area should not be seeded until fall. It is our understanding you do not need to use this area for your mining operations and that you are willing to reclaim it.

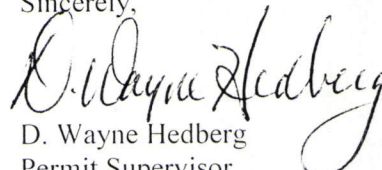
**Note:** If you decide to not reclaim this area and choose to keep it as part of your mining operations, the *transitional surety* amount (see item #2 above) will need to be increased by an additional \$1900 (0.76 acres X \$2500/acre).

If you fail to take the actions discussed in this directive within the specified time frames, we will issue a notice of non-compliance that could require an immediate suspension of mining operations at the mine site. If additional time is needed, please inform us in writing as soon as possible, stating the reasons for requiring more time to comply with these requirements.

If you wish to appeal this directive, please contact Vicki Southwick at (801) 538-5304 with 10 days of your receipt of this letter to schedule an informal conference with the Associate Director of Mining to discuss this matter further.

If you have any questions regarding the requirements of this notice, please contact me at (801) 538-5286, or Paul Baker at 538-5261. Thank you for your cooperation in helping us resolve this permitting action.

Sincerely,

  
D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

DWH:jb

cc: Mary Ann Wright, OGM  
Paul Baker, OGM

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